

110TH CONGRESS
1ST SESSION

H. R. 1611

To amend the Small Business Act to improve the 8(a) program.

IN THE HOUSE OF REPRESENTATIVES

MARCH 20, 2007

Mr. REYES introduced the following bill; which was referred to the Committee on Small Business

A BILL

To amend the Small Business Act to improve the 8(a) program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “8(a) Modernization
5 Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) when the 8(a) program was implemented in
9 1968, the thresholds for noncompetitive contracts
10 were \$3,000,000 and \$5,000,000 (for manufac-
11 turing), and today those thresholds have risen to

1 only \$3,500,000 and \$5,500,000, respectively, a rate
2 of growth far overtaken by inflation; and

3 (2) when the 8(a) program was implemented in
4 1968, the net worth limit was \$250,000, and today
5 that limit is exactly the same.

6 **SEC. 3. IMPROVEMENTS TO 8(a) PROGRAM.**

7 Section 8(a) of the Small Business Act (15 U.S.C.
8 637(a)) is amended—

9 (1) in paragraph (1)(D)(i)(II)—

10 (A) by striking “\$5,000,000” and inserting
11 “\$12,000,000”; and

12 (B) by striking “\$3,000,000” and insert-
13 ing “\$10,000,000”; and

14 (2) in paragraph (6) by adding at the end the
15 following:

16 “(F) the Administrator shall establish, for
17 each industry classification, a maximum level of
18 net worth for an economically disadvantaged in-
19 dividual. In establishing such maximum levels,
20 the Administrator shall take into consideration
21 the capital needs of each industry. The Admin-
22 istrator shall not establish a maximum net
23 worth that prohibits program entry of less than
24 \$750,000.”.

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